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OF COUNSEL WILLIAM G. CONLY October 2, 2002

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: <u>APPLICATION FOR PUBLIC HEARING</u>.

Lower Cris I Sand, Reservoir A, STELLA FIELD, Plaquemines Parish, Louisiana.

Dear Sir:

MANTI OPERATING COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Lower Cris I Sand, Reservoir A, in the Stella Field, Plaquemines Parish, Louisiana:

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Lower Cris I Sand, Reservoir A, such unit being shown on the attached plat and being designated L CRIS I RA SUB.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed additional unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
 - 3. To designate a unit well and unit operator for L CRIS I RA SUB as may be appropriate.
- 4. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 27-F, effective September 18, 1991, to the proposed additional unit.
 - 5. To discuss such other matters as may be pertinent.

The Lower Cris I Sand, Reservoir A, in the Stella Field, Plaquemines Parish, Louisiana, is defined in Office of Conservation Order No. 27-F, effective September 18, 1991.

Pertinent data concerning this application is available for inspection at the offices of Leon E. Comeaux & Associates, 305 La Rue France, Lafayette, Louisiana 70505. Any person wishing to inspect such data should call Mr. David Comeaux at (337) 233-9839 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

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By letter dated August 9, 2002, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these matters and a pre-application conference with respect to Applicant's proposals was thereafter held beginning at 10:30 o'clock a.m. on August 29, 2002, in Lafayette, Louisiana. Attached is a list of the names and addresses of those persons present at the conference.

On behalf of Applicant, Mr. David Smelley explained the purpose of the conference after which Mr. Leon Comeaux presented the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. Following Applicant's presentation, there was a general question and answer period concerning the proposals of Applicant. No counterplan was presented to the proposals of Applicant, but owners to the north and south of Applicant's proposed unit expressed the possibility that they may oppose Applicant's requested unit to request inclusion of their lands. Thereafter, the conference was adjourned.

Subsequent to the conference, Applicant has continued to have discussions with the adjacent owners in an attempt to resolve the differences. In that connection, Applicant has reached a compromise with Mrs. Joyce Perez Eustis et al., pursuant to which Applicant has revised its unit proposal.

Attached hereto is a revised unit plat outlining Applicant's proposed unit, which reflects the compromise discussed above. Also attached hereto is a list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Stella Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check payable to the Commissioner of Conservation for the application fee.

David L. Smelley

very truly,

Attorney for Manti Operating Company

DLS:dp Enclosures

cc: Mr. Richard Hudson (w/encls.)

Interested Owners, Represented Parties and Interested Parties (w/plat and list of conference attendees only)

